

**Actions and Appeals Involving Magten Asset Management Corporation and North Western Corporation and its Affiliates  
Pending Before Judge Farnan**

**This Court**

<b><u>Description</u></b>	<b><u>Parties</u></b>	<b><u>Status as of 9/7/05</u></b>	<b><u>Related Actions/Appeals</u></b>
Appeal by Magten and Law Debenture of Bankruptcy Court Order Denying Magten and Law Debenture's Joint 9019 Motion for Global Settlement of Claims and Causes of Action Between NorthWestern, Magten and Law Debenture.	Counsel for Magten Asset Management Corp.: Fried, Frank, Harris, Shriver & Jacobson LLP and Blank Rome LLP  Counsel for Law Debenture Trust Company of New York: Nixon Peabody LLP and Smith, Katzenstein & Furlow, LLP  Counsel for NorthWestern Corporation: Paul, Hastings, Janofsky & Walker LLP and Greenberg Traurig LLP  Counsel for Creditors' Committee/Plan	Mediation completed without a settlement on May 12, 2005.  Briefing completed on September 7, 2005.	Resolution of this Appeal may render moot the following appeals/causes of action pending before this Court:  04-1389 (JJF) (consolidated with 04-1508 (JJF)): Appeal of Confirmation Order/Memorandum of Understanding;  04-1279 (JJF): Magten's Appeal of Bankruptcy Court Order Approving Retention of Paul, Hastings, Janofsky & Walker LLP as Debtor's Counsel;  05-0398 (JJF): Magten's Appeal of Bankruptcy Court Order Approving Final Fee Application of Paul, Hastings, Janofsky & Walker LLP  05-0548 (JJF): Magten's Appeal of Bankruptcy Court Order Denying Fees Incurred by Magten in Connection With Adversary Proceedings Against Magten Voluntarily Dismissed with Prejudice by NorthWestern.

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	Committee: Paul, Weiss, Rifkind, Wharton & Garrison LLP and The Bayard Firm  Counsel for Ad Hoc Committee of Class 7 Noteholders: Kramer Levin Naftalis & Frankel, LLP and Landis Rath & Cobb LLP		Bankruptcy Court Order Denying Law Debenture Fees Incurred in its Capacity as Indenture Trustee  05-0499 (JJF): Litigation between Magten and officers of NorthWestern's subsidiary Clark Fork and Blackfoot LLC for breach of fiduciary in connection with 2002 transaction between Clark Fork and NorthWestern  04-1256 (JJF): Litigation between Magten and Paul, Hastings, Janofsky and Walker LLP for its role in aiding and abetting the 2002 transaction between Clark Fork and NorthWestern  04-1494 (JJF): Motion to Withdraw the Reference from the Bankruptcy Court in Connection with Adversary proceeding 04-53324, which was commenced by Magten and law Debenture alleging that the 2002 transaction between Clark Fork and NorthWestern was a fraudulent transfer.

<p><b>Appeal of Confirmation Order</b></p> <p>Consolidated with Appeal of Bankruptcy Court Order Approving Memorandum of Understanding (CA No. 04-1508 (JJF)).</p> <p>(Appellee)</p>	<p>Counsel for Magten Asset Management Corp.: Fried, Frank, Harris, Shriver &amp; Jacobson LLP and Blank Rome LLP</p> <p>Counsel for NorthWestern Corporation: Paul, Hastings, Janofsky &amp; Walker LLP and Greenberg Traurig LLP</p> <p>Counsel for Creditors' Committee/Plan Committee: Paul, Weiss, Rifkind, Wharton &amp; Garrison LLP and The Bayard Firm</p>	<p>Mediation completed without a settlement on May 12, 2005.</p> <p>Briefing of NorthWestern's motion to dismiss consolidated appeals completed on July 12, 2005.</p> <p>Remaining briefing completed on August 27, 2005.</p>	<p>May be rendered moot by 05-0209 (JJF): Appeal by Magten and Law Debenture of Bankruptcy Court Order Denying Magten and Law Debenture's Joint 9019 Motion for Global Settlement.</p>
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<p><b>Appeal of Bankruptcy Court Order Approving Retention of Paul, Hastings, Janofsky &amp; Walker LLP as Debtor's Counsel.</b></p> <p>&amp; Walker LLP</p>	<p>Counsel for Magten Asset Management Corp.: Storch, Amini &amp; Munves PC and Smith, Katzenstein &amp; Furlow, LLP</p> <p>Counsel for Paul, Hastings, Janofsky &amp; Walker LLP: Davis Polk &amp; Wardwell and Morris, Nichols, Arsh &amp; Tunnell</p>	<p>Mediation completed without a settlement on May 12, 2005.</p> <p>Briefing completed on August 15, 2005.</p>	<p>May be rendered moot by 05-0209 (JJF); Appeal by Magten and Law Debenture of Bankruptcy Court Order Denying Magten and Law Debenture's Joint 9019 Motion for Global Settlement.</p>
<p><b>Appeal of Bankruptcy Court Order Approving Final Fee Application of Paul, Hastings, Janofsky &amp; Walker LLP</b></p> <p>&amp; Walker LLP</p>	<p>Counsel for Magten Asset Management Corp.: Storch, Amini &amp; Munves PC and Smith, Katzenstein &amp; Furlow, LLP</p> <p>Counsel for Paul, Hastings, Janofsky &amp; Walker LLP: Davis Polk &amp; Wardwell and Morris, Nichols, Arsh &amp; Tunnell</p>	<p>Louis C. Bechtle appointed as mediator on 6/29/2005.</p> <p>Mediation stayed on motion of the parties pending resolution of the Magten's appeal of the Bankruptcy Court Order Approving Retention of Paul, Hastings, Janofsky &amp; Walker LLP as Debtor's Counsel (CA No. 04-1279 (JJF)).</p>	<p>May be rendered moot by 05-0209 (JJF); Appeal by Magten and Law Debenture of Bankruptcy Court Order Denying Magten and Law Debenture's Joint 9019 Motion for Global Settlement.</p>

<p><b>Appeal of Bankruptcy Court Order Denying Motion by Magten Asset Management Corp. for Fees and Expenses Incurred in Connection with Defense of Adversary Proceeding 04-55051, which was Voluntarily Dismissed With Prejudice by NorthWestern</b></p> <p><b>Company of New York (Appellee)</b></p>	<p>Counsel for Magten Asset Management Corp.: Fried, Frank, Harris, Shriver &amp; Jacobson LLP and Blank Rome LLP</p> <p>Counsel for NorthWestern Corporation: Paul, Hastings, Janofsky &amp; Walker LLP and Greenberg Traurig LLP</p>	<p>Appeal docketed with this Court on July 29, 2005.</p> <p>Briefing stayed pending mediation pursuant to applicable Local Rules.</p> <p>Hon. Louis C. Bechtle appointed as mediator on August 25, 2005.</p>	<p>May be rendered moot by 05-0209 (JJF): Appeal by Magten and Law Debenture of Bankruptcy Court Order Denying Magten and Law Debenture's Joint 9019 Motion for Global Settlement.</p> <p>May be rendered moot by 05-0209 (JJF): Appeal by Magten and Law Debenture of Bankruptcy Court Order Denying Magten and Law Debenture's Joint 9019 Motion for Global Settlement.</p>
<p><b>Appeal of Bankruptcy Court Order Denying Motion by Law Debenture Seeking Reimbursement of Fees and Expenses Incurred in its Capacity as Indenture Trustee</b></p> <p><b>Company of New York (Appellee)</b></p>		<p>Counsel for Law Debenture Trust Company of New York: Nixon Peabody, LLP and Smith, Katzenstein &amp; Furlow, LLP</p> <p>Counsel for NorthWestern Corporation: Paul, Hastings, Janofsky &amp; Walker LLP and Greenberg Traurig LLP</p>	<p>Appeal docketed with this Court on August 17, 2005.</p> <p>Briefing stayed pending appointment of mediator pursuant to applicable Local Rules.</p>

Pending Before this Court

<u>Description</u>	<u>Parties</u>	<u>Status as of 9/7/05</u>	<u>Related Actions/Appeals</u>
Complaint filed in Montana District Court against officers of Clark Fork and Blackfoot LLC (a NorthWestern subsidiary) alleging Breach of Fiduciary Duty in connection with the 2002 transfer of assets from Clark Fork to NorthWestern. Action transferred to this Court on July 18, 2005.	Counsel for Magten Asset Management Corp.: Fried, Frank, Harris, Shriver & Jacobson LLP and Blank Rome LLP  Counsel for Defendants: Browning, Kaleczyc, Berry & Hoven, P.C. and Edwards & Angell LLP	Action initiated in Montana District Court on April 15, 2004. Defendants made a motion to dismiss and a motion for summary judgment. Both motions were denied by the Montana District Court.  Prior to the transfer of this litigation to this Court, a scheduling order was entered in Montana providing for the following dates:	May be rendered moot by 05-0209 (JJF): Appeal by Magten and Law Debenture of Bankruptcy Court Order Denying Magten and Law Debenture's Joint 9019 Motion for Global Settlement.  January 31, 2006: Discovery deadline (other than expert)  March 31, 2006: Disclosure of Plaintiff's damages experts and simultaneous disclosure of liability

<u>Description</u>	<u>Parties</u>	<u>Status as of 9/7/05</u>	<u>Related Actions/Appeals</u>
	experts	<p>May 1, 2006: Disclosure of Defendants' damages experts</p> <p>June 30, 2006: Expert discovery deadline</p> <p>October 23, 2006: Settlement Conference Request/Motions Deadline (fully briefed)</p> <p>January 27, 2007: Motions in Limine Deadline/Attorney Conference to Prepare final Pretrial Order</p> <p>January 29, 2007: Deadline to Submit final Pretrial Order, Jury Instructions and Trial Briefs</p> <p>February 1, 2007: Final Pretrial Conference</p>	

<u>Description</u>	<u>Parties</u>	<u>Status as of 9/7/05</u>	<u>Related Actions/Appeals</u>
		February 12, 2007: Begin 6-day jury trial  Upon transferring the action to Delaware, the Montana District Court stayed discovery.	
Complaint against Paul Hastings for aiding and abetting in the transfer of the assets of Clark Fork to Northwestern. Action was originally filed in Montana and subsequently transferred to Delaware.	Counsel for Magten Asset Management Corp.: Storch, Amini & Munves PC and Smith, Katzenstein & Furlow, LLP  Counsel for Paul, Hastings, Janofsky & Walker LLP: Davis Polk & Wardwell and Morris, Nichols, Arshut & Tunnell	Paul Hastings moved to stay litigation pending resolution of Case No. 04-53324, currently pending in <sup>1</sup> the Bankruptcy Court.  Briefing completed on 12/8/04; oral argument requested by Magten.  Resolution of matter stayed by Court pending participation in mediation.	May be rendered moot by 05-0209 (JJF): Appeal by Magten and Law Debenture of Bankruptcy Court Order Denying Magten and Law Debenture's Joint 9019 Motion for Global Settlement.  Mediation completed without a settlement on May 12, 2005.

<sup>1</sup>: Bankruptcy Court pending resolution of Magten's appeal of the Confirmation Order.

	Motion to Withdraw the Reference to Adversary No. 04-53324.	Counsel for Magten Asset Management Corp.: Fried, Frank, Harris, Shriver & Jacobson LLP and Blank Rome LLP	Briefing completed in the Bankruptcy Court. Matter transferred to this Court for resolution on December 6, 2004.	May be rendered moot by 05-0209 (JJF): Appeal by Magten and Law Debenture of Bankruptcy Court Order Denying Magten and Law Debenture's Joint 9019 Motion for Global Settlement.
1	Adversary No. 04-53324 was commenced by Magten and Law Debenture against NorthWestern alleging that the 2002 transfer of assets by Clark Fork to Northwestern was a fraudulent conveyance.	Counsel for Law Debenture Trust Company of New York: Nixon Peabody LLP and Smith, Katzenstein & Furlow, LLP	Counsel for NorthWestern Corporation: Curtis, Mallet-Prevost, Colt & Mosle LLP and Greenberg Traurig LLP	